

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-12480 (JTD)

(Jointly Administered)

Ref. Docket No. 258

**CERTIFICATION OF COUNSEL REGARDING *REVISED* PROPOSED  
ORDER (I) AUTHORIZING THE RETENTION AND EMPLOYMENT OF DUCERA  
PARTNERS LLC AS INVESTMENT BANKER TO THE DEBTORS EFFECTIVE  
AS OF THE PETITION DATE, AND (II) GRANTING RELATED RELIEF**

On November 26, 2024, the debtors and debtors in possession in the above-captioned cases (collectively, the “Debtors”) filed the *Debtors’ Application for Entry of an Order (I) Authorizing the Retention and Employment of Ducera Partners LLC as Investment Banker to the Debtors Effective as of the Petition Date, and (II) Granting Related Relief* [Docket No. 258] (the “Application”) in the United States Bankruptcy Court for the District of Delaware

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<sup>1</sup> The Debtors in these Chapter 11 Cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy’s Newco, LLC (5404), Buddy’s Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies “Plus”, LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors’ headquarters is located at 109 Innovation Court, Suite J, Delaware, Ohio 43015.

(the “Court”). A proposed form of order approving the Application was attached thereto as Exhibit A (the “Proposed Order”) and that certain engagement letter, by and between Ducera Partners LLC and its affiliates, including Ducera Securities, and Franchise Group, Inc. (collectively, “Ducera”), along with an amendment letter (together with the engagement letter, the “Engagement Letter”) attached thereto as Exhibits C and D, respectively.

The deadline to file objections or otherwise respond to the Application was set as December 10, 2024 at 4:00 p.m. (ET) (the “Objection Deadline”), which was extended for certain parties. Prior to the Objection Deadline, the Debtors received informal comments from the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”), the Official Committee of Unsecured Creditors (the “Committee”), and the Ad Hoc Group of First Lien Lenders (the “First Lien Lenders” and, together with the U.S. Trustee and the Committee, the “Responding Parties”). No other formal or informal responses or objections to the Application were received.

Following discussions with the First Lien Lenders, Ducera has agreed to modify certain terms of the Engagement Letter (the “Amended Engagement Letter”), attached as Exhibit 1 to the revised Proposed Order (the “Revised Proposed Order”), attached hereto as Exhibit A. For the convenience of the Court and other interested parties, a blackline comparing the Revised Proposed Order to the Proposed Order is attached hereto as Exhibit B.

*[Remainder of Page Intentionally Left Blank]*

WHEREFORE, as the Debtors did not receive any objections or responses other than those described herein, and the Responding Parties do not object to entry of the Revised Proposed Order, the Debtors respectfully request that the Court enter the Revised Proposed Order without further notice or hearing at the Court's earliest convenience.

Dated: January 20, 2025  
Wilmington, Delaware

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